

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re	:
	:
SEARS HOLDINGS CORPORATION, <i>et al.</i> ,	:
	:
	:
Debtors. <sup>1</sup>	:
-----X	

**Chapter 11**  
**Case No. 18-23538 (RDD)**  
**(Jointly Administered)**

**AFFIDAVIT AND DISCLOSURE STATEMENT OF PERRY C. HENSON, JR.,  
ON BEHALF OF HENSON & TALLEY, L.L.P.**

STATE OF NORTH CAROLINA    )  
  ) s.s.:  
COUNTY OF GUILFORD        )

Perry C. Henson, Jr., being duly sworn, upon his oath, deposes and says as follows:

1. I am a managing partner of Henson & Talley, L.L.P., located at The  
Piedmont Building, 114 N. Elm Street, Suite 600, Greensboro, North Carolina 27401 (the “**Firm**”).

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); and Sears Brands Management Corporation (5365). The location of the Debtors’ corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

2. Sears Holdings Corporation and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**”), have requested that the Firm provide general liability legal services to the Debtors, and the Firm has consented to provide such services (the “**Services**”).

3. The Services include, but are not limited to, the following: general liability legal advice and general liability legal representation for actions pending in the State of North Carolina.

4. The Firm may have performed services in the past and may perform services in the future, in matters unrelated to these chapter 11 cases, for persons that are parties in interest in the Debtors’ chapter 11 cases. As part of its customary practice, the Firm is retained in cases, proceedings, and transactions involving many different parties, some of whom may represent or be claimants or employees of the Debtors, or other parties in interest in these chapter 11 cases. The Firm does not perform services for any such person in connection with these chapter 11 cases. In addition, the Firm does not have any relationship with any such person, such person’s attorneys, or such person’s accountants that would be adverse to the Debtors or their estates with respect to the matters on which the Firm is to be retained.

5. Neither I, nor any principal of, or professional employed by the Firm has agreed to share or will share any portion of the compensation to be received from the Debtors with any other person other than principals and regular employees of the Firm.

6. Neither I nor any principal of, or professional employed by the Firm, insofar as I have been able to ascertain, holds or represents any interest materially adverse to the Debtors or their estates with respect to the matters on which the Firm is to be retained.

7. As of the commencement of this chapter 11 case, the Debtors owed the Firm \$9,743.85 in respect of prepetition services rendered to the Debtors, with the Firm's understanding that \$3,278.06 of that total amount was to be paid by ESIS on behalf of Debtors in the action CHUBB – AUTO – Sarah L. Lovett v. Donald C. Huffman and Sears, Roebuck and Co.

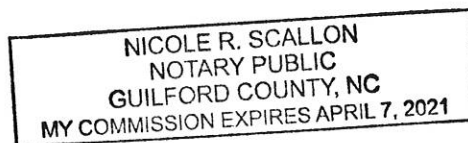
8. The Firm is conducting further inquiries regarding its retention by any creditors of the Debtors, and upon conclusion of this inquiry, or at any time during the period of its employment, if the Firm should discover any facts bearing on the matters described herein, the Firm will supplement the information contained in this Affidavit.

Pursuant to 28 U.S.C. §1746, I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct, and that this Affidavit and Disclosure Statement was executed on November 27, 2018, at 4:00 p.m.

  
\_\_\_\_\_  
Perry C. Henson, Jr.  
Managing Partner  
Henson & Talley, LLP  
The Piedmont Building  
114 N. Elm Street, Suite 600  
Greensboro, North Carolina 27401  
Telephone: (336) 275-0587  
Email: [phenson@hensonlawyers.com](mailto:phenson@hensonlawyers.com)

SWORN TO AND SUBSCRIBED before  
me this 27<sup>th</sup> day of November, 2018.

  
\_\_\_\_\_  
Notary Public



**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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**In re** :  
 : **Chapter 11**  
**SEARS HOLDINGS CORPORATION, et al.,** :  
 : **Case No. 18-23538 (RDD)**  
 :  
**Debtors.<sup>1</sup>** : **(Jointly Administered)**  
-----X

**RETENTION QUESTIONNAIRE**

TO BE COMPLETED BY PROFESSIONALS EMPLOYED by Sears Holdings Corporation and its debtor affiliates, as debtors and debtors in possession (collectively, the “**Debtors**”).

All questions **must** be answered. Please use “none,” “not applicable,” or “N/A,” as appropriate. If more space is needed, please complete on a separate page and attach.

1. Name and address of professional:

Henson & Talley, L.L.P.  
The Piedmont Building  
114 N. Elm Street, Suite 600  
Greensboro, North Carolina 27401

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2. Date of retention: October 15, 2018 for post-petition services; November 17, 2004, for prepetition services.
3. Type of services to be provided: General liability legal advice and general liability legal representation for actions pending in the State of North Carolina.
4. Brief description of services to be provided: General liability legal advice and general liability legal representation for actions pending in the State of North Carolina.
5. Arrangements for compensation (hourly, contingent, etc.): Hourly
  - (a) Average hourly rate (if applicable): \$150.00 an hour for partner; \$125.00 an hour for associate; and \$85.00 an hour for paralegals.
  - (b) Estimated average monthly compensation based on prepetition retention (if company was employed prepetition): \$2,500.00.
6. Prepetition claims against the Debtors held by the company:
  - (a) Name: North Carolina Insurance Underwriters Association a/s/o Ohana Hut, LLC v. Sears, Roebuck and Co.  
  
Status: Stayed  
  
Amount of claim: Plaintiff is seeking \$74,869.94.  
  
Date claim arose: Property Damage discovered March 24, 2017.  
  
Nature of claim: Subrogation, negligence, and breach of contract.

- (b) Name: Angel Gerena and wife, Anna Colon-Gerena v. Sears Home Improvement Products, Inc.

Status: Stayed

Amount of claim: Plaintiff is seeking a sum in excess of \$25,000.00.

Date claim arose: Lawsuit filed June 18, 2018.

Nature of claim: Breach of contract and unfair and deceptive trade practices.

- (c) Name: Julia Lackey Norton v. Kmart Holdings Corporation; Sears Holdings Corporation; Franklin Square Investments, LLC

Status: Stayed

Amount of claim: Plaintiff is seeking a sum in excess of \$25,000.00.

Date claim arose: Accident occurred October 10, 2015.

Nature of claim: Personal injury.

- (d) Name: North Carolina Joint Underwriters Association, as Subrogee of Rhonda and Mitchell Henry v. Sears, Roebuck and Co.

Status: Stayed

Amount of claim: Plaintiff is seeking \$26,494.38.

Date claim arose: Property damage discovered on March 9, 2017.

Nature of claim: Subrogation, negligence, and breach of contract.

7. Prepetition claims against the Debtors held individually by any member, associate, or employee of the company: None

Name: N/A

Status: N/A

Amount of claim: N/A

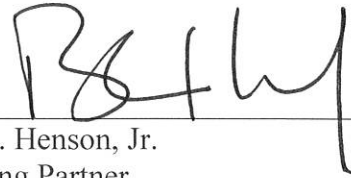
Date claim arose: N/A

Nature of claim: N/A

8. Disclose the nature and provide a brief description of any interest adverse to the Debtors or to their estates for the matters on which the professional is to be employed: None.

9. Name and title of individual completing this form: Perry C. Henson, Jr., Managing Partner, Henson & Talley, L.L.P.

Dated: November 27, 2018.



Perry C. Henson, Jr.  
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Henson & Talley, LLP  
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